

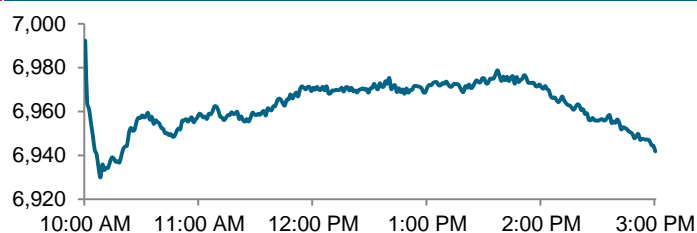
DAILY MARKETS OVERVIEW

السعودي الفرنسي كابيتال
Saudi Fransi Capital
تميز في الخدمة، تفوق في الأداء



OCTOBER 19, 2017

TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	6,942	-0.7	-0.7	-3.7	16.9
Saudi (NOMU)	2,951	-2.0	-3.7	NA	NA
Energy	3,978	-0.1	1.0	-20.1	15.4
Materials	4,682	-0.7	-0.9	-6.1	19.8
Capital Goods	4,137	-0.9	-1.7	-17.1	13.6
Com. & Prof. Svc	4,283	-2.3	-2.4	-15.1	19.0
Transportation	3,864	-0.8	0.3	-24.2	14.0
Cons. Durables & Apparel	4,109	0.1	-1.3	-11.5	NA
Consumer Services	4,170	-1.5	-0.7	-13.7	12.0
Media	8,358	-0.1	-0.2	63.2	NA
Retailing	5,875	-1.6	-2.5	19.7	18.6
Food & Staples Retailing	5,416	-0.8	-2.2	7.2	23.4
Food & Beverages	5,045	-1.5	0.7	2.9	NA
Health Care Equipment	4,476	-0.6	-0.8	-10.8	24.8
Pharma, Biotech & Life Science	3,997	0.3	0.0	-25.7	10.0
Banks	5,205	-0.8	-0.3	2.4	10.9
Diversified Financials	4,380	0.2	0.0	-12.2	NA
Insurance	4,982	-0.9	-0.6	1.4	15.3
Telecommunication	4,302	-0.1	-1.8	-14.0	14.9
Utilities	5,044	-0.8	0.9	3.8	10.8
REITs	4,923	-0.4	-1.6	-1.5	NA
Real Estate	4,323	0.1	-1.9	-13.8	NA

Sources: Bloomberg, Reuters

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Malath Cooperative Insurance and Reinsurance	16.64	9.9%	12.4
Saudi Advanced Industries Co.	12.88	8.4%	7.4
Red Sea International Co.	19.11	4.7%	6.6
United Electronics Co.	46.54	3.7%	23.4
Aldrees Petroleum & Transport Services Co.	29.19	3.5%	32.3

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	YoY %	Q EPS (SAR)	Vs. Consensus
Riyad Bank	18-Oct	Q3 17	1,077.0	47.7	0.36	BEAT
Aldrees Petroleum and Transport Services Co.	18-Oct	Q3 17	18.2	0.6	0.36	NA
Al Yamamah Steel Industries Co.	18-Oct	Q3 17	10.9	-45.5	0.21	NA
Yamama Cement Co.	17-Oct	Q3 17	29.2	-48.2	0.14	BEAT
Abdullah A. M. Al-Khodari Sons Co.	17-Oct	Q3 17	-22.9	57.0	-0.41	NA

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of October 19, 2017
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- The TASI declined 0.7% to close at 6,942 on Wednesday. The NOMU closed 2.0% lower at 2,951. TASI traded value totaled SAR 2.5bn and averaged SAR 3.1bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 51.0% of the daily traded value.
- Banks and Materials ended 0.8% and 0.7% lower respectively. Telecom closed 0.1% lower. Pharma, Biotech & Life Science (up 0.3%) was the best performer. Among stocks, Malath Cooperative Insurance and Reinsurance Co. (8020/MALATH AB), Saudi Advanced Industries Co. (2120/SAIC AB), and Red Sea International Co. (4230/REDSEA AB) led gainers.
- According to the US Department of the Treasury, KSA increased its holdings of US bonds and Treasury bills (T-bills) by 48% Y/Y to USD 138bn (SAR 517bn) in August 2017 from USD 93bn (SAR 349bn). However, the holdings fell 3% M/M from USD 142bn (SAR 534bn). (Source: Mubasher)
- According to data from the General Authority for Statistics, the wholesale price index fell 0.8% Y/Y during September 2017. The authority added the ores and minerals and the stones and sand sections both fell 8.9% Y/Y, followed by agriculture and fishery products (down 2.9% Y/Y). (Source: Mubasher)
- Citing the Spokesman of the General Authority of Zakat and Tax, the Makkah newspaper reported value-added tax (VAT) will be levied on white lands at 5% of the sale value. Moreover, VAT will be applied on postpaid cards, data cards, and mobile bills, and will be deducted at the point of sale. (Source: Argaam)
- Public Investment Fund established Super Esco, an energy service company, with a capital of SAR 1.9bn (USD 507mn) to increase the energy efficiency of buildings and government facilities. The firm would finance and manage the retrofit of state buildings and facilities, which would account for about 70% of total projects in energy sector. (Source: Arabian Business)
- Saudi Press Agency reported the General Authority for Small and Medium Enterprises signed an agreement with King Abdullah Economic City (KAEC) to establish a SAR 75mn (USD 20mn) fund to help finance entrepreneurs and owners of SMEs operating in KAEC. (Source: Gulf Base)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Industrial Investment Group	21.73	-3.2%	9.4
Nama Chemicals Co.	17.94	-3.0%	5.5
United International Transportation Co.	25.89	-2.9%	22.3
Aseer Trading, Tourism & Manufacturing Co.	14.16	-2.9%	1.8
Saudi Airlines Catering Co.	82.69	-2.7%	11.1

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Alinma Bank	17.81	-1.0%	456.8
Saudi Basic Industries Corp.	98.20	0.1%	381.1
Dar Alarkan Real Estate Development Co.	6.88	2.7%	223.5
Al Rajhi Bank	63.93	-0.3%	164.3
Saudi Enaya Cooperative Insurance Co.	23.62	1.7%	53.7

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	3,645	0.1	-0.4	3.2	NA
Abu Dhabi (ADX)	4,502	0.3	-0.5	-1.0	16.6
Kuwait (KSE)	6,619	-0.4	-0.1	15.1	17.8
Qatar (QE)	8,144	-1.0	-2.4	-22.0	13.2
Oman (MSM)	5,090	0.0	-0.7	-12.0	12.2
Bahrain (BSE)	1,278	-0.3	0.3	4.8	7.5
DJMENA Index	515	-0.4	-0.7	-0.8	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,561	0.1	0.3	14.4	21.8
US (NASDAQ 100)	6,624	0.0	0.3	23.1	25.0
UK (FTSE 100)	7,543	0.4	0.1	5.6	25.2
Germany (DAX)	13,043	0.4	0.4	13.9	18.2
France (CAC 40)	5,384	0.4	0.6	10.7	18.7
Russia (MICEX)	2,094	0.1	-0.2	-5.1	7.5
Japan (Nikkei)	21,363	0.1	1.0	11.6	19.4
Hong Kong (HSI)	28,712	0.0	0.8	30.5	14.3
South Korea (KOSPI)	2,483	-0.1	0.4	22.5	11.9
China (SHCOMP)	3,382	0.3	-0.3	9.0	17.7
India (NIFTY)	10,211	-0.2	0.4	24.7	23.7
Brazil (IBOV)	76,591	-0.1	-0.5	27.2	24.0
Turkey (BIST 100)	106,926	-0.1	0.7	36.8	10.4
Egypt (EGX30)	13,590	0.5	-2.2	10.1	9.7
MSCI Emerging Markets	1,127	0.1	0.1	30.7	16.4
MSCI World	2,030	0.2	0.1	15.9	21.3

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	58.2	0.5	1.7	2.3	10.4
Natural Gas (\$/mmbtu)	2.9	-3.6	-4.9	-20.8	-15.3
Gold (\$/oz)	1,281	-0.3	-1.8	11.2	0.9
Silver (\$/oz)	17.0	0.2	-2.4	6.8	-3.8
Platinum (\$/oz)	922	-1.4	-2.6	2.0	-2.3
Copper (\$/t)	6,949	-0.7	1.3	25.8	49.4
Zinc (\$/t)	3,179	2.2	-3.5	24.3	38.6
Lead (\$/mt)	2,493	-0.1	-1.9	25.6	26.9
Wheat (\$/bu)	430	-1.1	-2.2	-7.5	-13.6
Corn (\$/bu)	349	-0.4	-1.2	-8.3	-11.5
Sugar (\$/lb)	14.1	0.4	-2.3	-24.2	-31.8

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	1.36	0.00	0.36	0.00
Saudi Arabia	1.79	0.00	-0.24	0.43
UAE	1.57	0.00	0.09	0.21
Kuwait	1.75	0.00	0.31	0.39
Qatar	2.45	0.01	0.67	1.09
Bahrain	2.45	0.00	0.35	1.09

Source: Reuters

NOTES: (1) Prices updated as of October 19, 2017 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable

GCC & Global Markets Update

- US markets ended in green on Wednesday. The S&P 500 closed 0.1% higher while NASDAQ closed flat. Dow Jones Industrial ended 0.4% higher. In Europe, the UK, Germany and France gained 0.4%.
- Asian markets are trading mixed on Thursday. China is down by 0.4% while Japan is higher by 0.4%. South Korea and Hong Kong are trading lower by 0.3% and 0.1% respectively. India is closed for trading.
- GCC markets ended mixed on Wednesday. Dubai and Abu Dhabi gained 0.1% and 0.3% respectively. Kuwait and Qatar declined by 0.4% and 1.0% respectively. Oman closed flat while Bahrain closed 0.3% lower.
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended October 13 stood at -5.7mn barrels (prior: -2.7mn barrels). (Source: Econoday)
- Change in China's GDP for 3Q17 stood at 1.7% Q/Q, 6.8% Y/Y (prior: 1.7% Q/Q, 6.9% Y/Y; consensus: 6.8% Y/Y). (Source: Econoday)
- According to data from the US Department of the Treasury, the UAE decreased its holdings of US bonds by 7.1% M/M in August to USD 55.9bn (AED 205bn) from USD 59.9bn (AED 220bn). (Source: Mubasher)
- Citing the UAE's Minister of Energy, Arabic daily Al Khaleej reported the minister expects oil prices to balance in 2018 due to the continuous fall in global raw oil stockpiles. He added this would be reflected in price hikes. (Source: Mubasher)
- Oman News Agency reported that the country cancelled the bidding process to select its third mobile phone operator. Instead, Oman offered the license to a local company owned by the country's funds and a strategic global partner. The decision was made to strengthen the role of wealth funds and have them contribute to economic growth. (Source: Arabian Business)
- According to the latest monthly report by the Central Bank of Oman, Omani banks, including Islamic institutions, attained 5.9% Y/Y growth in total credit to OMR 23bn (USD 59.7bn) by end-August. (Source: Gulf Base)
- Oman Daily Observer reported that Oman's Tanfeedh expects the country's largest integrated dairy farm project, currently under development at Al Sunainah in Al Buraimi Governorate, to contribute OMR 800mn (USD 2.1bn) to the local and national economy in the next 10 years. (Source: Trade Arabia)
- Fitch Ratings upgraded Warba Bank's (WARBABAN KK) viability rating from "b+" to "bb-". The agency also affirmed the long-term Issuer Default Rating at "A+" with a "stable" outlook. The bank's short-term Issuer Default Rating and Support Rating Floor have been affirmed at "F1" and "A+", respectively. (Source: Mubasher)
- Investment Corporation of Dubai (ICD) listed its USD 200mn (AED 735mn) bond on the Nasdaq Dubai. The issuance was made under ICD's Euro Medium Note Program of USD 2.5bn (AED 9.2bn). (Source: Arabian Business)

Coming Up

- US jobless claims for the week ended October 14 (prior: 243K; consensus: 240K) will be announced today. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended October 20 (prior: -5.7mn barrels) will be announced on October 25. (Source: Econoday)
- Change in UK's GDP for 3Q17 (prior: 0.3% Q/Q, 1.5% Y/Y) will be announced on October 25. (Source: Econoday)

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19 OCTOBER 2017

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